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ZNR UUUUU ZZH
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FM AMEMBASSY HARARE
TO RUEHC/SECSTATE WASHDC IMMEDIATE 3762
INFO RUCNSAD/SOUTHERN AF DEVELOPMENT COMMUNITY COLLECTIVE
RUEHAR/AMEMBASSY ACCRA 2467
RUEHDS/AMEMBASSY ADDIS ABABA 2592
RUEHRL/AMEMBASSY BERLIN 1085
RUEHBY/AMEMBASSY CANBERRA 1861
RUEHDK/AMEMBASSY DAKAR 2216
RUEHKM/AMEMBASSY KAMPALA 2641
RUEHNR/AMEMBASSY NAIROBI 5069
RUEAIIA/CIA WASHDC
RUZEJAA/JAC MOLESWORTH RAF MOLESWORTH UK
RHMFISS/EUCOM POLAD VAIHINGEN GE
RHEFDIA/DIA WASHDC
RUEHGV/USMISSION GENEVA 1733
RHEHAAA/NSC WASHDC

UNCLAS HARARE 001061

SENSITIVE
SIPDIS

AF/S FOR B. WALCH
DRL FOR N. WILETT
ADDIS ABABA FOR USAU
ADDIS ABABA FOR ACSS
STATE PASS TO USAID FOR E. LOKEN AND L. DOBBINS
STATE PASS TO NSC FOR SENIOR AFRICA DIRECTOR B. PITTMAN

E.O. 12958: N/A
TAGS: [PGOV](#) [PREL](#) [EFIN](#) [ASEC](#) [PHUM](#) [ZI](#)
SUBJECT: GONO ATTEMPTS TO DEFUSE PROTESTS OVER CASH LIMITS

11. (SBU) Reserve Bank Governor Gideon Gono announced in late November that the central bank raised the individual and corporate cash withdrawal limits from Z\$500,000 and Z\$1 million a day to Z\$100 million and Z\$50 million respectively once a week. The changes will be effective December 4 and are intended to defuse a scheduled protest march on December 3 by civil society groups demanding unlimited cash withdrawals. In a November 30 article in the government-controlled newspaper the Sunday Mail, Gono blamed the need for cash withdrawal limits on Western sanctions.

12. (SBU) Despite the increase in withdrawal limits, Zimbabwe Congress of Trade Unions (ZCTU) spokesperson Kumbulani Ndlovu told us on December 1 that her organization would stage protests at banks demanding the removal of all limits. She believed that Gono's policy change came in response to the threat of large scale protests by ZCTU and other cooperating organizations. She said that the revised higher withdrawal limits would not impact the protests as it would only be a matter of time before the new limits become inadequate. ZCTU is asking its members to protest in front of their respective banks beginning at eight thirty in the morning. Ndlovu cited a similar situation in September 2008 when ZCTU was threatening protests over cash withdrawal limits and Gono immediately raised the limit. Consequently ZCTU canceled their protest, a move the organization now regrets.

13. (SBU) Lovemore Madhuku, president of the National Constitutional Assembly (NCA), has asked his supporters to join the ZCTU protest to bolster their numbers. Madhuku told us on December 1 that ZCTU told him that they hoped to mobilize between 1,000 and 2,000 protesters. NCA might be able to contribute an additional 800 people, which is the number Madhuku said participated in last week's NCA march.

COMMENT

14. (SBU) Gono's upward revision of withdrawal limits is

consistent with his previous stop-gap attempts to defuse public anger towards his monetary policies. We're encouraged that ZCTU and NCA are not buying it this time around. Equally positive is that the two organizations are consolidating their protest efforts, but we'll have to see if they can mobilize several thousand protesters. END COMMENT.

McGee